

# Building & Supporting the Healthcare Workforce South Carolina Needs

SOUTH CAROLINA AHEC

PRESENTATION TO THE HOUSE WAYS & MEANS COMMITTEE

HEALTHCARE SUBCOMMITTEE

FEBRUARY 1, 2017



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# Organizational Chart

Medical University of South Carolina  
Office of the Vice President for Academic Affairs and Provost

South Carolina AHEC Program Office

## Family Medicine Residency Training Programs

- AnMed Health
- Greenville Health System
- McLeod Health
- MUSC Family Medicine
- Oconee Memorial Hospital
- Palmetto Health Richland
- Self Regional Healthcare
- Spartanburg Regional Healthcare System

## Regional AHEC Centers

- Lowcountry AHEC
- Mid-Carolina AHEC
- Pee Dee AHEC
- Upstate AHEC

--- The dotted lines reflect the contractual relationships between the South Carolina AHEC Program Office, the South Carolina community teaching hospitals and the Regional AHEC Centers.

# Summary of Accountability Report

The South Carolina Area Health Education Consortium is a separate state agency and a component unit of the Medical University of South Carolina (MUSC). Although the AHEC budget is separate from the MUSC budget, all administrative and financial activities are conducted within the MUSC system. Consequently, the Accountability Report from MUSC includes information about the South Carolina AHEC.

# Budget Request Summary:

## Increasing Support for the Rural Physician Program

### **Background**

- ▶ Established by the South Carolina legislature in 1989\*
- ▶ Addresses the undersupply and maldistribution of physicians in rural and underserved communities
- ▶ Currently funded in the amount of \$500,000
- ▶ Provides incentive grants for primary care physicians and advanced practice professionals (nurse practitioners, nurse midwives, and physician assistants)
- ▶ Providers commit to practice in rural and medically underserved communities in South Carolina for at least four years
- ▶ Once well established in a clinical practice, health care providers are much more likely to remain in that practice

*\*The enabling legislation for the Rural Physician Program, including the composition of the Rural Physician Advisory Board, can be found in the South Carolina Code of Laws, Section 59-123-125.*

# Budget Request Summary:

## Increasing Support for the Rural Physician Program

### Why This Matters to South Carolina

- ▶ South Carolina continues to rank in the bottom half of the country in terms of sufficient access to healthcare services<sup>1</sup> and in the supply of actively practicing primary care physicians.<sup>2</sup>
- ▶ This situation is made more severe for rural residents by the fact that relatively few (only 13%) of the primary care physicians practicing in 2014 were located in rural counties.<sup>3</sup>
- ▶ A study by the Robert Graham Center for Policy Studies in 2015 indicated that the annual economic impact of one family physician on a South Carolina community is in excess of \$900,000<sup>4</sup>.

<sup>1</sup>The Commonwealth Fund, 2015 State Scorecard interactive website accessed August 23, 2016 at

[http://www.commonwealthfund.org/~media/files/publications/fund-report/2015/dec/2015\\_scorecard\\_v5.pdf](http://www.commonwealthfund.org/~media/files/publications/fund-report/2015/dec/2015_scorecard_v5.pdf)

<sup>2</sup> 2015 State Physician Workforce Data Book, Center for Workforce Studies, Association of American Medical Colleges.

<sup>3</sup> South Carolina Health Professions Data Book. Office for Healthcare Workforce Analysis and Planning, 2014.

<sup>4</sup> Economic Impact of Family Physicians. Robert Graham Center, January, 2015.

# Budget Request Summary:

## Increasing Support for the Rural Physician Program

### **Why This Matters to South Carolina**

- ▶ Since the program's inception, 302 physicians and 28 advanced practice professionals have completed rural practice incentive grant contracts.
- ▶ Every South Carolina county has benefited from this program.
- ▶ During the past three years there were 30 eligible physicians and 104 advanced practice professionals who applied to practice in underserved areas who could not be funded.

# Budget Request Summary:

## Increasing Support for the Rural Physician Program

### South Carolina Recruitment and Retention Incentive Grant Recipients Initially Funded in Years 1995 - 2014

Incentive Grant Recipients	# funded and completed	# with an active SC license in 2015/16	# actively practicing in SC in 2015/16	# currently practicing in the same city/town as when initially funded
Physicians <i>% of total funded</i>	223	202 91%	194 87%	126 57%
Advanced Practice Providers <i>% of total funded</i>	25	20 80%	18 72%	10 40%
All Recipients <i>% of total funded</i>	248	222 90%	212 85%	136 55%

**Notes:**

Advanced Practice Providers include 20 Nurse Practitioners, 7 Physician Assistants and 1 Nurse Midwife. Three of those Nurse Practitioners were omitted from this analysis due to missing license numbers that prevented an assessment of their current practice status. Thus, the total number of advanced practice providers is 25. Only those providers who completed their contractual obligations were included in this analysis. Recent recipients were not included if their contractual obligation period was still in effect in 2015 or 2016.

# Budget Request Summary:

## Increasing Support for the Rural Physician Program

### *Why This Matters to South Carolina*



**\$900,000**

Annual economic impact  
of a family physician on a  
South Carolina community<sup>1</sup>



Every South Carolina  
county has benefited  
from this program

<sup>1</sup> Economic Impact of Family Physicians. Robert Graham Center, January, 2015.

# Budget Request Summary:

Increasing Support for the Rural Physician Program

## Decision Package 10853

**The South Carolina AHEC (Agency H-53) requests an additional \$500,000 in recurring funds to further increase the number of primary care providers who will practice in rural and underserved communities.**

# Budget Request Summary:

Fringe Benefit Funding Increase

## Decision Package 10812

**Allocation of Statewide Employee Pay Plan,  
SCRS Increase and Health & Dental Insurance increase  
in the amount of \$201,309.**

# Provisos, FTEs and Carry Forward

## Provisos

There are no provisos specific to the South Carolina AHEC.

## FTE Requests

There is no FTE request for the South Carolina AHEC.

## Carry Forward Information

South Carolina AHEC did not carry forward any funds from FY16.

# Three Year Funding

		<u>FY 13-14</u>	<u>FY 14-15</u>	<u>FY 15-16</u>
<b>Recurring General Funds</b>	<b>Appropriation</b>	\$9,622,989	\$9,752,642	\$9,772,208
	<b>Expenditures</b>	\$9,622,989	\$9,752,642	\$9,772,208
<hr/>				
<b>Non- Recurring General Funds</b>	<b>Appropriation</b>	\$0	\$200,000	\$200,000
	<b>Expenditures</b>	\$0	\$0*	\$205,814 *
<hr/>				
<b>Federal Funds</b>	<b>Authorization</b>	\$845,016	\$844,700	\$844,700
	<b>Expenditures</b>	\$458,658	\$470,642	\$490,024
<hr/>				
<b>Other Funds</b>	<b>Authorization</b>	\$2,093,668	\$2,808,927	\$2,808,927
	<b>Expenditures</b>	\$525,946	\$1,649,831	\$4,103,670 **
<hr/>				
<b>Total Funds</b>	<b>Appropriation/ Authorization Expenditures</b>	\$12,561,673 \$10,607,593	\$13,606,269 \$11,873,115	\$13,625,835 \$14,571,716

\* Carried forward and expended in FY16

\*\* Expenditures include \$1,955,718 transferred from Palmetto Health and expended for the SC DHHS Teaching Supplement.

# Official Budget Request

- ▶ Included in Committee Notebooks (pages A1-E2)

# South Carolina AHEC

## AHEC System

1

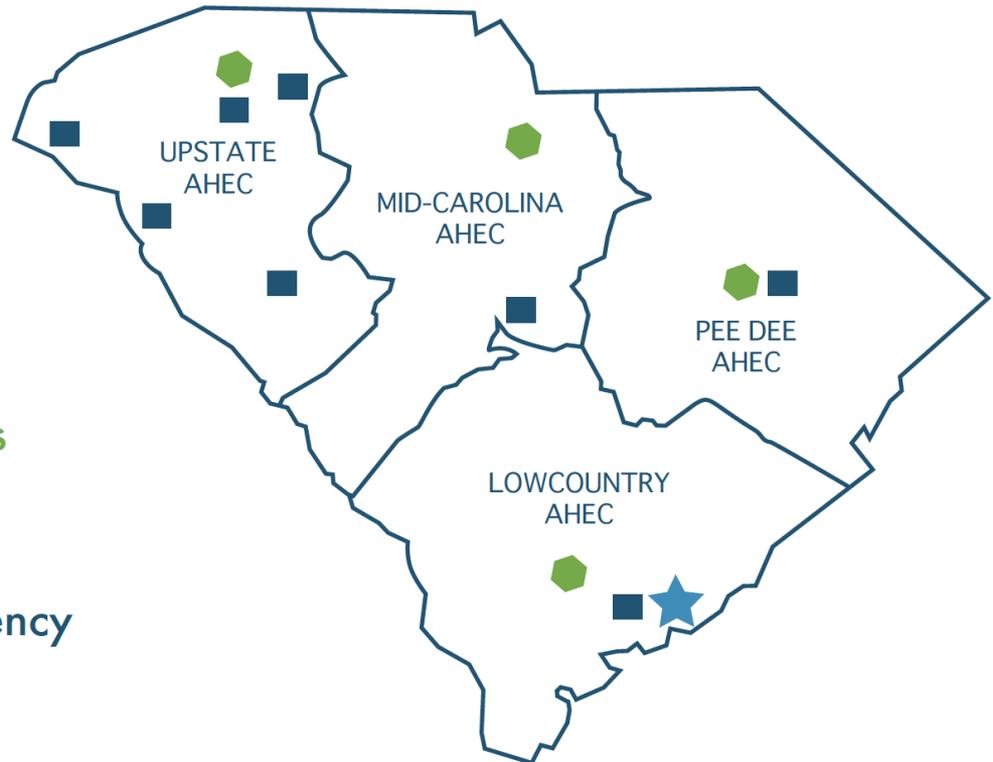
Program Office

4

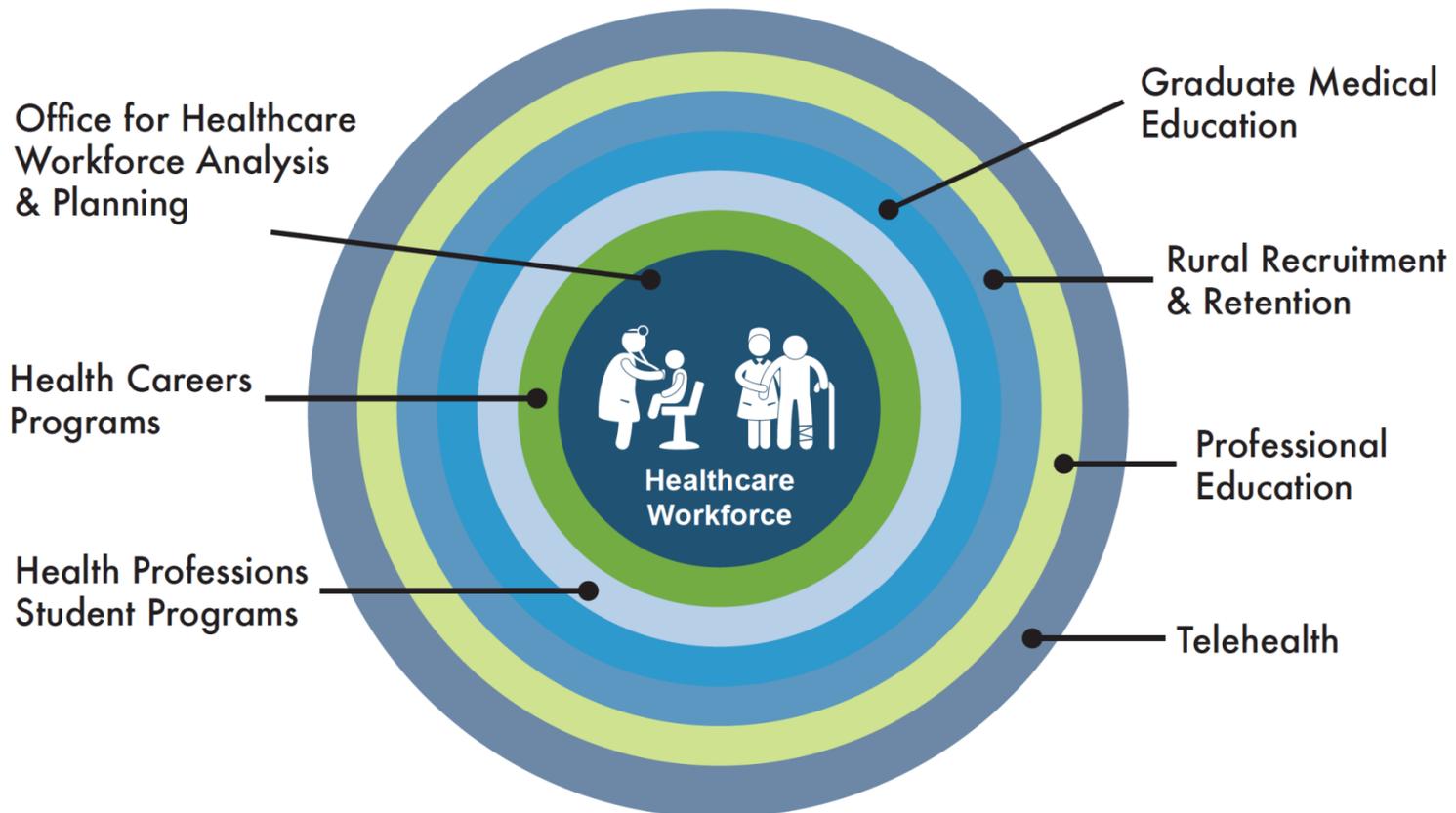
Regional AHEC Centers

8

Family Medicine Residency Training Programs



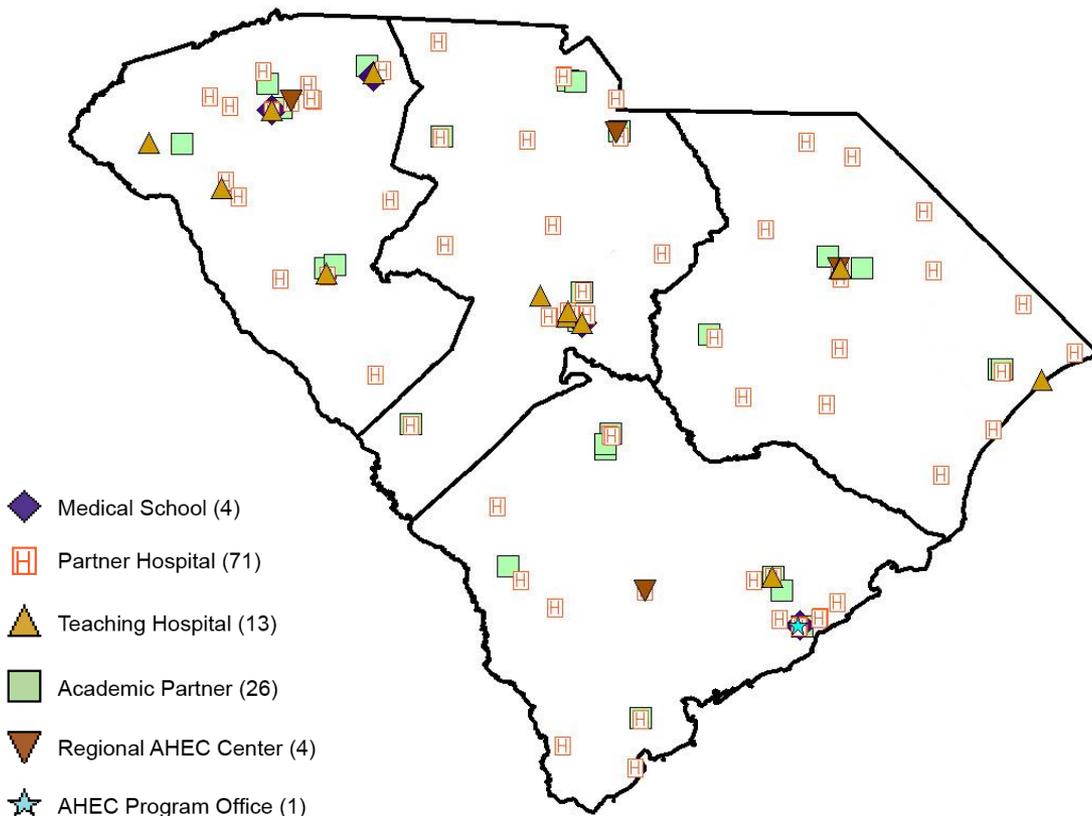
# The South Carolina AHEC Program Areas



# Member Institutions

- ▶ **AnMed Health**  
Anderson
- ▶ **Edward Via College of Osteopathic Medicine**  
Spartanburg
- ▶ **Greenville Health System**  
Greenville
- ▶ **Lowcountry AHEC**  
Walterboro
- ▶ **McLeod Health/Pee Dee AHEC**  
Florence
- ▶ **Medical University of South Carolina**  
Charleston
- ▶ **Mid-Carolina AHEC**  
Lancaster
- ▶ **Palmetto Health Richland**  
Columbia
- ▶ **Rural Physician Board**  
Columbia
- ▶ **Self Regional Healthcare**  
Greenwood
- ▶ **Spartanburg Regional Healthcare System**  
Spartanburg
- ▶ **University of South Carolina School of Medicine**  
Columbia
- ▶ **University of South Carolina School of Medicine – Greenville**  
Greenville
- ▶ **Upstate AHEC**  
Greenville

# Statewide Partnerships



## State Agency Partners

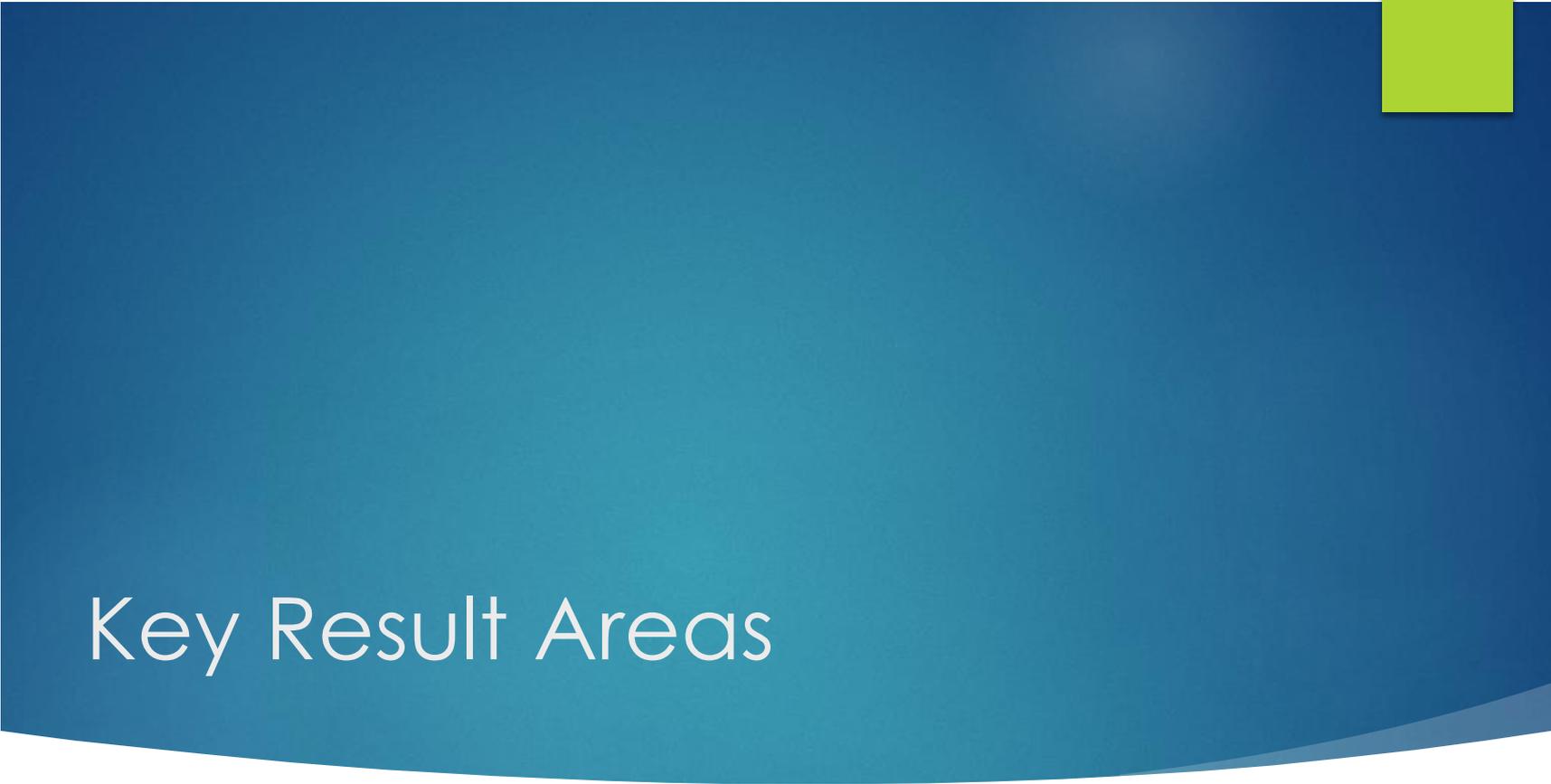
- SC Department of Health & Human Services
- SC Department of Health & Environmental Control & Public Health Departments
- SC Department of Education
- Health & Demographics Section, SC Revenue and Fiscal Affairs Office

## Association Partners

- SC Dental Association
- SC Hospital Association
- SC Medical Association
- SC Office of Rural Health
- SC Primary Health Care Association

## Community Partners

- Community Health Centers
- Rural Health Clinics
- Primary Care Practices
- Community Practitioners
- Community Preceptors



# Key Result Areas

South Carolina AHEC Programs

# Health Careers Programs

- ▶ **400 participant contact hours**
- ▶ **4,927 hours of health professions observation time**

# Health Professions Student Programs

- ▶ **4,298 student weeks of clinical rotations**
- ▶ **104,272 patient contacts**
- ▶ **960 clinical placements**
- ▶ **291 clinical training sites**

# Graduate Medical Education

- ▶ **210 family medicine residents-in-training & 69 graduates in the past year**
- ▶ **More than 50% of all family physicians in South Carolina trained in an AHEC-affiliated residency training program**

# Rural Physician & Rural Dentist Programs

- ▶ **8 physicians, 3 nurse practitioners & 1 physician assistant funded in FY16**
- ▶ **322 physicians & 38 advanced practice providers have completed contracts or are currently funded since 1989**
- ▶ **45 dentists & 14 faculty members have received loan repayment since 2005**

# Professional Education

- ▶ **8,465 AHEC U certificates issued last year**
- ▶ **1,691 contact hours of educational programs via statewide videoconference**
- ▶ **155,139 overall participant hours last year**

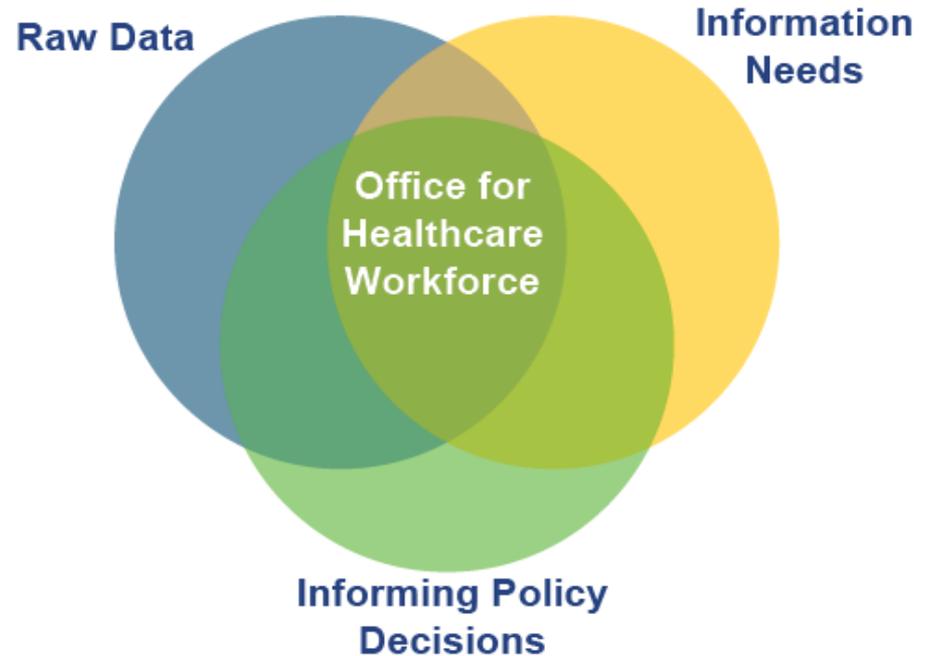
# Telehealth

- ▶ **40 hospitals, EMS offices, universities & colleges in the AHEC videoconferencing network**
- ▶ **10 pounds lost on average by telehealth participants**
- ▶ **58 contact hours of telehealth simulation module training to EMS crews in 2016**

# South Carolina Office for Healthcare Workforce



*Converting data into relevant, unbiased information available to decision makers when they need it.*



# Preceptor Tax Credit Proposal

*The Coalition for Increasing Access to Primary Care (CIAPC) is seeking support for legislation to provide tax credits for South Carolina healthcare practitioners (physicians, advanced practice nurses, and physician assistants) who are willing to provide clinical training in their practices for students from South Carolina health professions colleges.*

# Preceptor Tax Credit Proposal

Making a tax credit available to these preceptors has an excellent prospect to increase the number of busy clinicians willing to teach students in their practices.

This would accomplish the following:

- ▶ Meet the pressing need for more clinical training sites for SC healthcare students
- ▶ Provide incentives to SC healthcare providers to train students enrolled in public SC health professions education programs
- ▶ Expose more health professions students to the opportunities and gratification associated with service to rural and underserved populations in SC
- ▶ Reduce the need for tuition increases to support clinical training opportunities in communities

# Preceptor Tax Credit Proposal

The projected tax incentive cost is based on

- ▶ \$1,000 tax credit for physicians (MD/DO)
- ▶ \$750 tax credit for advanced practice nurses and physician assistants (APRNs & PAs)
- ▶ Patient payer mix is comprised of a minimum of  $\geq 50\%$  Medicare, Medicaid, and/or self-pay patients
- ▶ Return on investment estimates include a savings of approximately \$1,263 per patient per year given the increased access to healthcare services <sup>1</sup>

<sup>1</sup> Ku, L., Richard, P., Dor, A., et al. Strengthening Primary Care to Bend the Cost Curve: The Expansion of Community Health Centers through Health Reform. Policy Research Brief No. 19. Geiger Gibson/RCHN Community Health Foundation Collaborative at The George Washington University. June 30 2010.

# Cost Savings to South Carolina

## **Five SC student graduates retained in SC after Year 1 as a result of the tax incentive program**

*5 graduates remaining in rural & underserved communities*

Total additional patient care capacity	6,935
Total cost savings	\$8,758,905
Tax incentive cost	\$3,581,000
<b>Net cost savings to the state</b>	<b>+\$5,177,905</b>

## **Seven SC student graduates retained in SC after Year 2 as a result of the tax incentive program**

*7 graduates remaining in rural & underserved communities*

Total additional patient care capacity	9,709
Total cost savings	\$12,262,467
Tax incentive cost	\$3,760,550
<b>Net cost savings to the state</b>	<b>+\$8,501,917</b>

***For more information, contact Lesli Woodall at [woodall@musc.edu](mailto:woodall@musc.edu).***

# Supporting Organizations

## Health Professions Education Programs

- ▶ **Clemson University**
  - ▶ Nursing
- ▶ **Francis Marion University**
  - ▶ Nursing
  - ▶ Physician Assistant Studies
- ▶ **MUSC**
  - ▶ Medicine
  - ▶ Nursing
  - ▶ Physician Assistant Studies
- ▶ **USC - Columbia**
  - ▶ Medicine
  - ▶ Nursing
  - ▶ Physician Assistant Studies
- ▶ **USC - Greenville**
  - ▶ Medicine
  - ▶ Nursing

# Supporting Organizations

## Health-Related Organizations

- ▶ South Carolina Academy of Family Physicians
- ▶ South Carolina Academy of Physician Assistants
- ▶ South Carolina Area Health Education Consortium (AHEC)
- ▶ South Carolina Certified Nurse Midwives (affiliate ACNM)
- ▶ South Carolina Hospital Association
- ▶ South Carolina Nurses Association
- ▶ South Carolina Office of Rural Health

# Supporting Organizations

## South Carolina Business Coalition on Health

- ▶ Allison and Partners
- ▶ Astra Zeneca Pharmaceuticals
- ▶ Bayer Pharmaceuticals
- ▶ Blue Cross Blue Shield of SC
- ▶ BMW
- ▶ Boeing
- ▶ Bon Secours St. Francis Health System
- ▶ Cigna
- ▶ City of Spartanburg
- ▶ Contec
- ▶ Furman University
- ▶ GE
- ▶ Greenville County Government
- ▶ Greenville Health System
- ▶ Heritage Federal Credit Union
- ▶ Integrated Mechanical Care
- ▶ MAU Staffing
- ▶ McLaughlin & Smoak Benefits
- ▶ Merck Pharmaceuticals
- ▶ Michelin North America
- ▶ PEBA- State Health Plan of SC
- ▶ Pfizer Pharmaceuticals
- ▶ PNC Bank
- ▶ Resolute FP
- ▶ SC Optometric Association
- ▶ Shriner's Hospital Greenville
- ▶ Spartanburg Regional Health System
- ▶ State of South Carolina-DHHS
- ▶ TCI Tire
- ▶ United Benefit Advisors
- ▶ Webtpa

# Questions and Comments?

## Mission

*The South Carolina AHEC achieves excellence in healthcare through recruitment, retention and education of healthcare professionals.*

[www.scahec.net](http://www.scahec.net)